

**TESTIMONY OF GEORGE OROS, MINORITY LEADER, WESTCHESTER
COUNTY BOARD OF LEGISLATORS TO BE DELIVERED MARCH 13, 2002
TO THE HOUSE COMMITTEE FINACIAL SERVICES SUBCOMMITTEE ON
HOUSING AND COMMUNITY OPPORTUNITY**

Chairwoman Roukema, Ranking Member Frank and members of the committee:

Thank you for this opportunity to share with you and the Committee a perspective of what Community Development Block grants mean to the communities I represent as a member of the Westchester County Board of Legislators. During my tenure on the Board I have served as Chairman of the Board and now as minority leader. During the 1998-99 session, I was appointed Chair of our Committee on Community Affairs and Housing which oversees and votes on the annual CDBG appropriations.

In this limited time frame allow me to focus on several key points. The vernacular of "Block Grant" is somewhat of a misnomer. These funds are more of an investment rather than a grant or expenditure. They are an investment not only in housing, infrastructure, and services...but an investment in people. The City of Peekskill, one of three municipalities I represent, was the only city in New York State to actually gain population in the last census. That growth was due in part to the wise investment over the past twenty years of almost \$12 million in CDBG money. That investment, leveraged with other federal, state and county funds and matched with Peekskill dollars is improving a community that has a median income of \$16,589, a minority population of 25%, substantial unemployment, and has had stagnant economic growth. In two block groups, the low to moderate-income population exceeds 70%, unemployment in this area is 45% of adults over 16, and 72% of the housing is rental. CDBG has made Peekskill a more desirable community, people have stopped fleeing and are actually moving into the City and investing their future there. In making that choice they continue to revitalize an economy and become more productive citizens. But more needs to be done.

Peekskill is a HUD approved Neighborhood Revitalization Strategy Area, having in place a five-year plan to undertake comprehensive infrastructure and community projects with CDBG funds. These projects include housing, streetscapes, a neighborhood facility and park improvements for the 7108 residents that live in the strategy area. This strategy includes a gateway off the Hudson River leading into the downtown. The uninhabitable houses, boarded up stores, and vacant lots, will be turned into affordable homes, busy shops, and a safe community center to keep our kids off the streets. But only if you decide to continue this important investment...CDBG funds. Should Congress approve this formula change this strategy will be stopped dead in its tracks.

Hudson River Health Care used a \$125,000 CDBG grant, and a \$300,000 CDBG loan to fundraise another \$580,000. And this is only for the second phase of a \$3.2 million dollar project. This investment will allow the Health Center to expand its service beyond the current 40,680 patient visits it handles each year. These are people who otherwise could not afford appropriate health care or would needlessly clog the

emergency room at area hospitals. 59% of their population is uninsured. The preventive medicine, counseling and drug rehabilitation programs at this facility ultimately save all taxpayers by improving the quality of life and health. But again, CDBG is crucial to the success of this project.

Peekskill is only one community that I represent, and I am only one of 17 county legislators. If time permitted, each my colleagues could tell you first hand the needs of the other 39 municipalities that utilize the investment dollars of CDBG. On behalf of my constituents and all the taxpayers of Westchester County it is respectfully requested that you do not adopt this formula change.

Thank you for your time.